
Standardized CFO Inventory Sampling Plan Approach



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CFO Sampling Plan Background

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- **FIAR Issue: Each Service and DLA are required to report their ending year inventory value.**
- **DLA and the Air Force have separate sampling plans for inventory held at DDC. Both rely on DSS data as system of record.**
- **Other services do not have sampling plans—causing audit issue.**
- **DLA and AF plans have been reviewed and accepted by their auditors and by the DoD IG.**
- **Opportunity to standardize a single sampling process was discussed in JPWIG meeting.**
- **In addition to dollar savings, a single plan would help the Army, Navy, and USMC become compliant sooner.**
- **This standardization effort does not address Service**



Weekly Status Calls

CFO Sampling Plan Effort

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- **Jan 26, 2011 - In person meeting at SCI with Statisticians and Auditors**
 - **Reviewed DLA sampling plan run with all component inventory**
 - **DLA strata, inventory pulled for all components from DSS**
 - **Issues: Snow impacted meeting participation, sizes of samples in each strata, Working Capital Fund and General Fund inventory combination**
 - **Agreements reached:**
 - **Two phased approach- first, sample determined for each component; second (when confidence gained), move to one DoD sample and all components report on results**
 - **Force minimum sample sizes per Strata for each component**
 - **Review AF strata plan run for possible usage across all components**
 - **Separate out Working Capital Fund Inventory**
 - **Concern raised: Possible conflict of interest in DLA running**



CFO Sampling Plan Current Status

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- **AF Statistician developed sampling minimum strata size tool**
- **DLA DORRA applied results of tool to new plan run for all Components with AF plan strata (\$ value based)**
- **General fund inventory removed from component inventory, except for Marine Corp—needs manual removal**
- **Components need more time to review proposed Enterprise Plan but generally approve**
- **DLA/DDC needs to evaluate workload impact**
- **Plan framework sent to DoD IG as work-in-process update**



CFO Sampling Plan Next Steps

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- **Address any issues with DDC workload impact.**
- **Send finalized plan to DoD IG for approval.**
- **SCI policy memorandum**
- **Implementation of Enterprise CFO Sampling Plan**



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Questions?



Back Up

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Weekly Status Call Participants: Briggs, Merita G CIV USAF AF/A4LM; Walker, Melissa CIV NAVAUDSVC; 'Rudd, Sara P (DORRA)'; 'Mathis CIV Sheron R'; 'Hambric CIV Betty J'; 'Cooks CIV Jonelle D'; 'Shufelt CIV Pinky'; 'thomas.vaden@us.af.mil'; 'Northenor, Stephen S Civ USAF AFMC HQ AFMC/FMF'; 'Gray, George P DLA CIV LOGISTICS OPERATIONS'; 'mark.entner@dla.mil'; Lafalce, John T Mr CIV USA HQDA DCS G-4; 'Simpson, Terry L CIV DLA J-3312'; 'Ziegler, Gary T CIV DLA J-3312'; 'Feie, Gregg DLA CIV DISTRIBUTION'; 'Butz, David CIV NAVSUP HQ, SUP 04'; 'terrence.roberts@us.army.mil'; 'darryl.l.washington@us.army.mil'; Crowley, John, OSD-COMPT; Tollefson, Ron, Mr, OSD-COMPT; 'charles.d.black1@usmc.mil'; Gore CWO5 Robin J; Stubbs MSgt Warren; 'Kurtz, Denise DLA CIV DISTRIBUTION'; 'ramon.marin@navy.mil'; 'norman.frech@us.army.mil'; 'alice.morrow@usmc.mil'; 'john.edalgo@usmc.mil'